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## Featuring:

**Land Values and Cash Rent Slaughter Farm Computer Usage and Ownership**  
**Farm Production Expenditures Prices Received Chicken and Eggs**

### Land Values Continue to Rise

**Tennessee:** Farm real estate values, including all land and buildings, averaged \$2,700 per acre as of January 1, 2005, up 8 percent from the previous year. The \$200 per acre increase in farm real estate values continued a climb that began in 1986. The overall increase followed cropland and pasture values, which rose by 7.0 and 6.9 percent, respectively, from January 1, 2004. The average value of cropland in the state rose \$180 to \$2,600 per acre, while the average of pasture land rose \$170 to \$2,620 per acre, both the highest since records began in 1997. Tennessee's cropland cash rent during 2005 remained unchanged from last year at \$67.00 per acre. Pasture cash rent in the state decreased \$1.00 from 2004 to \$18.00 per acre.

**U.S.:** Farm real estate values, a measurement of the value of all land and buildings on farms, averaged \$1,510 per acre on January 1, 2005, up 11.0 percent from 2004. This is the largest percentage increase since 1981, when farm real estate values rose 11.1 percent from the previous year. The \$150 per acre increase is the largest dollar increase on record. The previous record was 1980, when values climbed \$109 per acre above the 1979 value. Cropland and pasture values rose by 11.3 and 9.5 percent, respectively, from January 1, 2004. Cropland values averaged \$1,970 per acre and pasture values averaged \$694 per acre on January 1, 2005, compared with \$1,770 and \$634 per acre, respectively, a year earlier. The value of other land and buildings increased 11.9 percent.

#### Agricultural Land Values and Cash Rents: Average per Acre, Tennessee, January 1, 1996-2005

Year	Farm Real Estate <sup>1</sup>	Cropland <sup>2</sup>		Pasture <sup>2</sup>	
	Value Per Acre	Value Per Acre	Cash Rent Per Acre	Value Per Acre	Cash Rent Per Acre
Dollars					
1996	1,530		48.30		13.50
1997	1,650	1,830	56.50	1,720	16.00
1998	1,810	1,970	57.00	1,860	18.00
1999	1,950	2,050	62.00	1,950	16.40
2000	2,100	2,120	60.00	2,050	18.00
2001	2,200	2,200	59.50	2,150	18.00
2002	2,300	2,270	60.50	2,250	17.00
2003	2,400	2,350	62.00	2,350	17.50
2004	2,500	2,420	67.00	2,450	19.00
2005	2,700	2,600	67.00	2,620	18.00

<sup>1</sup>Includes land and buildings. <sup>2</sup> Cropland and pasture values published beginning with 1997.

**U.S. Slaughter:** Cattle slaughter totaled 2.94 million head, down 2 percent from June 2004. The average live weight was up 21 pounds from the previous year, at 1,246 pounds. Calf slaughter totaled 58,900 head, down 11 percent from June 2004. The average live weight was 31 pounds above last year, at 368 pounds. Hog kill totaled 8.55 million head, 1 percent above June 2004. The average live weight was 4 pounds above the previous year, at 268 pounds. Sheep slaughter totaled 222,900 head, 4 percent below last year. The average live weight was 138 pounds, up 4 pounds from June a year ago.

#### Commercial Livestock Slaughter<sup>1</sup>: United States, June 2004 and 2005

Species	Number Slaughtered		Total Live Weight		Average Live Weight	
	2004	2005	2004	2005	2004	2005
	1,000 Head		1,000 Pounds		Pounds	
Cattle	2,994	2,937	3,667,614	3,657,843	1,225	1,246
Calves	66	59	22,340	21,719	337	368
Hogs	8,505	8,554	2,246,201	2,295,652	264	268
Sheep & lambs	232	223	31,090	30,667	134	138

<sup>1</sup>Includes slaughter under Federal inspection and other Commercial slaughter, excludes farm slaughter.

## Farm Computer Usage and Ownership

**Tennessee:** During the June 2005 Agricultural Survey conducted by the National Agricultural Statistics Service, Tennessee Field Office, 44 percent of farms reported having computer access. This is slightly less than 2003, but still a drastic increase from when this question was first asked nearly a decade ago. Additionally, 41 percent of Tennessee farms owned or leased a computer, with 18 percent using computers for their farm business. This compared to only 17 percent of farms owning or leasing a computer in 1997, and only 7 percent of farms using a computer for farm business. During this time, we have also seen an increase in farms with available Internet access. In 2005, 40 percent of Tennessee farms reported having Internet access, compared with only 8 percent of farms having Internet access in 1997.

**U.S.:** A total of 51 percent of U.S. farms now have Internet access, compared to 48 percent with Internet access in 2003. Fifty-eight percent of farms have access to a computer in 2005, the same level as 2003. Fifty-five percent of all U.S. farms own or lease a computer, up slightly from 54 percent in 2003. Farms using computers for their farm business increased 1 percent from 2003 to 31 percent in 2005.

In 2005, seventy-nine percent of U.S. farms with sales and government payments of \$250,000 or more have access to a computer, 77 percent own or lease a computer, 66 percent are using a computer for their farm business, and 72 percent have Internet access. For farms with sales and government payments between \$100,000 and \$249,999, the figures are: 69 percent have access to a computer, 67 percent own or lease a computer, 51 percent are using a computer for their farm business, and 59 percent have Internet access. For farms with sales and government payments between \$10,000 and \$99,999, there were 54 percent that reported having computer access, 51 percent own or lease a computer, 33 percent use a computer for their farm business, and 46 percent have Internet access.

For crop farms, 60 percent have computer access and 33 percent use a computer for their farm business in 2005, the same as 2003. Internet access for crop farms increased to 52 percent in 2005 from 49 percent in 2003. For livestock farms, 57 percent have computer access and 50 percent have Internet access. The use of a computer for farm business increased to 29 percent for livestock farms, up 2 percent from 2003.

In 2005, twelve percent of U.S. farms access Federal Government Web sites other than USDA, compared with 11 percent in 2003. Four percent of farms conduct business with a USDA Web site, up from 3 percent in 2003. Farms conducting business with any other Federal Government Web site dropped from 5 percent in 2003 to 3 percent in 2005. Also, 5 percent of the farms used a toll-free customer service number during the July 2004 to June 2005 period.

Two new questions were asked in 2005, including how operators access the Internet. Dialup was the most common method of accessing the Internet with 69 percent of U.S. farms. Operators were also asked if they conducted any non-agricultural business via the Internet in the last 12 months and 26 percent of the U.S. farms responded "yes". The 2005 computer usage estimates are based on responses from over 32,500 agricultural operations and represent all sizes and types of farms.

**Farm Computer Usage: Tennessee and United States, 1997, 1999, 2001, 2003, and 2005**

Year	Tennessee Farms				United States Farms			
	With Computer Access	That Own or Lease Computers	Using Computers For Farm Business	With Internet Access	With Computer Access	That Own or Lease Computers	Using Computers For Farm Business	With Internet Access
<i>Percent</i>								
1997	24	17	7	8	38	31	20	13
1999	35	28	13	24	47	40	24	29
2001	42	36	16	34	55	50	29	43
2003	50	41	18	41	58	54	30	48
2005	44	41	18	40	58	55	31	51

## Farm Production Expenditures up 5.1 Percent in 2004

U.S. farm production expenditures totaled \$210.7 billion in 2004, up 5.1 percent from the revised 2003 total of \$200.5 billion. The largest contributors to the increase were tractors and self-propelled farm machinery up 24.3 percent; fuels, up 19.4 percent; fertilizer, up 14.0 percent; feed, up 9.1% and labor up, 5.5 percent. Farm services and interest were the only expenditure categories to show a decrease being down 2.2 and 4.3 percent, respectively. The rent expenditure was unchanged from the previous year. The largest two expenditure categories were feed, which accounted for 14.2 percent of the U.S. total production expenses and farm services which accounted for 12.5 percent of the U.S. total production expenses. The farm services category includes expense items such as custom work, utilities, marketing charges, veterinary services, transportation costs, and miscellaneous business expenses.

The average expenditures per U.S. farm in 2004 were \$99,983, compared to \$94,542 as revised for 2003. On the average, U.S. farm operations in 2004 spent \$14,236 on feed; \$12,480 on farm services; \$10,914 on labor; \$9,016 on livestock and poultry purchases; and \$7,782 on rent. Revised estimates for 2003 indicated U.S. farms spent an average of \$12,967 on feed; \$12,684 on farm services; \$10,279 on labor; \$8,723 on livestock and poultry purchases; and \$7,733 on rent. Farm Production Regions were changed from 10 to 5 regions this calendar year. This change improves the overall quality of regional estimates and allows NASS to publish state level expenditure estimates without disclosing data for unpublished states. These new regions were formed by combining 2 of the previous Farm Production Regions. The new 5 Farm Production Regions are as follows: Atlantic; South; Midwest; Plains, and West.

Expenditures by Farm Production Region in 2004 reveal that total expenditures were up in each region except the West. Expenditures also reveal that taxes, labor, fuels, and tractors and self-propelled farm machinery expenditure categories showed increases in each region, while the other expenditure categories show more variation across regions. The Farm Production Region contributing most to the total 2004 U.S. farm production expenditures was the Midwest, with expenses of \$59.9 billion, 28.4 percent of the U.S. total. Expenditures in the Midwest were up 6.8 percent from the 2003 level of \$56.1 billion. In total expenditures, the Midwest was followed by the West, at \$47.7 billion (2003 - \$48.4 billion); Plains, at \$47.5 billion (2003 - \$43.5 billion); Atlantic, at \$32.1 billion (2003 - \$29.6 billion); and South, at \$23.6 billion (2003 - \$23.0 billion).

### Farm Production Expenditures: Major Input Items, Farms Reporting, Average per Farm and Total, Atlantic Region<sup>1</sup>, 2003 - 2004

Expenditure - Farm Share	Farms Reporting <sup>2</sup>		Average Per Farm <sup>3</sup>		Total Expenditures	
	2003	2004	2003	2004	2003	2004
	Percent		Dollars		Million Dollars	
<b>Total Farm Production Expenditures<sup>4 5</sup></b>	100.0	100.0	57,993	65,047	22,620	25,040
Livestock, Poultry & Related Expenses <sup>6</sup>	30.9	29.8	3,461	3,845	1,350	1,480
Feed	72.7	69.8	8,922	10,521	3,480	4,050
Farm Services <sup>7</sup>	96.3	97.8	7,204	7,559	2,810	2,910
Rent <sup>8</sup>	20.0	21.4	2,025	2,078	790	800
Agricultural Chemicals <sup>9</sup>	41.1	45.6	1,513	1,637	590	630
Fertilizer, Lime, Soil Conditioners <sup>9</sup>	60.1	57.2	2,154	2,364	840	910
Interest	35.7	37.4	2,692	2,494	1,050	960
Taxes (Real Estate & Property)	98.8	99.8	2,154	2,286	840	880
Labor	35.5	35.5	7,614	7,897	2,970	3,040
Fuels	90.5	91.8	1,820	2,338	710	900
Farm Supplies & Repairs <sup>10</sup>	89.4	89.4	3,948	4,962	1,540	1,910
Farm Improvements & Construction <sup>11</sup>	62.6	64.0	5,333	6,858	2,080	2,640
Tractors and Self-Propelled Farm Machinery	15.4	16.2	2,846	3,455	1,110	1,330
Other Farm Machinery	25.6	23.2	1,718	1,689	670	650
Seed & Plants <sup>12</sup>	43.3	47.0	2,923	2,702	1,140	1,040
Trucks and Autos	15.4	17.6	1,487	2,000	580	770

<sup>1</sup> Atlantic Region consists of CT, DE, KY, ME, MD, MA, NH, NJ, NY, NC, PA, RI, TN, VA, VT, and WV. <sup>2</sup> Number of farms reporting item divided by total number of farms. <sup>3</sup> Total expenditures divided by total number of farms. <sup>4</sup> Total includes production costs not allocated to any of the 16 expense categories published. <sup>5</sup> Includes landlord and contractor share of farm production expenses. <sup>6</sup> Includes purchases and leasing of livestock and poultry. <sup>7</sup> Includes all crop custom work, veterinary services, custom feeding, transportation costs, marketing charges, insurance, leasing of machinery and equipment, miscellaneous business expenses, and utilities. <sup>8</sup> Includes public and private grazing fees. <sup>9</sup> Includes material and application costs. <sup>10</sup> Includes bedding and litter, marketing containers, power farm shop equipment, miscellaneous non-capital equipment and supplies, repairs and maintenance of livestock and poultry equipment, and capital equipment for livestock and poultry. <sup>11</sup> Includes all expenditures related to new construction or repairs of buildings and fences and any improvements to physical structures of land (changed to include operator dwelling expenses, if dwelling is owned by operators in 2003). <sup>12</sup> Excludes bedding plants, nursery stock, and seed purchased for resale. Includes seed treatment.

**Prices Received by Farmers: Tennessee & U.S., July 2005 with Comparisons**

Commodity	Unit	Tennessee			United States		
		July 2004	June <sup>1</sup> 2005	July <sup>2</sup> 2005	July 2004	June <sup>1</sup> 2005	July <sup>2</sup> 2005

Dollars Per Unit

**Field Crops**

Winter Wheat	bu.	3.32	3.33	--	3.31	3.15	3.20
Corn	bu.	2.73	2.38	2.55	2.51	2.03	2.15
Cotton Lint	lb.	.480	.394	.394 <sup>3</sup>	.538	.440	.421 <sup>3</sup>
Soybeans	bu.	7.62	6.78	7.15	8.46	6.58	6.84

**Livestock**

All Beef Cattle	cwt.	85.00	88.40	84.00	88.10	88.50	86.30
Steers & Heifers	cwt.	107.00	110.00	104.00	91.40	91.90	89.60
Cows	cwt.	52.00	56.00	54.00	56.30	57.00	55.60
Calves	cwt.	120.00	128.00	118.00	130.00	138.00	133.00

<sup>1</sup> Entire month. <sup>2</sup> Mid-month. <sup>3</sup> Based on purchases first half of month.

**Layers and Eggs: Layers on Hand and Eggs Produced by Selected States  
and United States, During June 2004 and 2005**

Selected States	Table Egg Layers in Flocks 30,000 or more		All Layers <sup>1</sup>		Eggs per 100 for All Layers <sup>1</sup>	
	2004	2005	2004	2005	2004	2005

Thousands

Number

Alabama	1,760	1,798	9,430	9,191	1,813	1,882
Arkansas	4,680	4,006	16,013	14,653	1,880	1,897
Georgia	11,098	9,829	20,197	19,072	2,025	2,040
North Carolina	3,376	3,176	10,913	10,811	1,897	1,961
All Other States <sup>2</sup>	255,966	257,566	286,282	287,625	2,166	2,187
United States	276,880	276,375	342,835	341,352	2,126	2,151

<sup>1</sup> Includes all layers and eggs produced in both table egg and hatching egg flocks regardless of size. <sup>2</sup> Tennessee is included in all other states total.